

SECTION 172(1) STATEMENT

This statement describes how the members of the Board of Directors of the Company (the “Board”) fulfil their obligations under section 172 of the Companies Act 2006.

Section 172 requires that a Director of a Company act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the following factors:

- a) the likely consequences of any decision in the long term;
- b) the interests of the Company’s employees;
- c) the need to foster the Company’s business relationships with suppliers, clients and others;
- d) the impact of the Company’s operations on the community and the environment;
- e) the desirability of the Company maintaining a reputation for high standards of business conduct;
and
- f) the need to act fairly as between members of the company.

In discharging their duty under section 172, the Directors have regard to the factors set out above, as well as to other factors which they consider relevant to the decision being made.

Principal Activity and Key Decisions of the Company

As described above, the principal activity of the Company is to act as a holding company for Deloitte MCS Limited. The Company does not conduct business and is not engaged in providing services to clients.

As a holding company, Board decisions relate predominantly to internal governance matters. Decisions made by the Board during this fiscal year include:

- approval of a dividend payment to the Company’s parent company; and
- appointment of directors and officers or authorized signatories.

These and other decisions made by the Board are appropriately informed by consideration of the section 172 factors through the mechanisms described below.

Considering the long-term consequences of decision-making

In setting strategy, and considering risk issues, the Board’s decision-making is focused around ensuring that the financial performance of the Company is sustainable in the long term.

Stakeholders

The Company’s principal stakeholders are its subsidiary, Deloitte MCS Limited and its parent, Deloitte LLP. Given that the Company is a holding company, the Company is exposed to the deterioration in business performance of its subsidiary.

The Company does not have any other stakeholders as it does not carry on any business.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Board believes that it is essential for the Company to conduct business with a high level of integrity, quality and professionalism and takes all decisions with the aim of maintaining a reputation for high standards of business conduct and advancing the good reputation of Deloitte.

Environment

The Company operates in accordance with Deloitte NSE LLP's (Deloitte NSE LLP and its subsidiaries are hereinafter referred to as 'Deloitte NSE') policies. Initiatives designed to minimise Deloitte NSE's impact on the environment include recycling, waste management, energy procurement, consumption and greening the supply chain.

The need to act fairly as between members

The Company's direct sole shareholder is Deloitte LLP and the ultimate parent undertaking and controlling party is Deloitte NSE LLP. As these entities are part of the DTTL group, the interests of these entities are generally very closely aligned.

Deloitte.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London, EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2021 Deloitte LLP. All rights reserved.